(2) THE MADRAS AGRICULTURAL INCOME-TAX (AMENDMENT) BILL, 1965 (L.A. BILL NO. 24 OF 1965).

THE HON. SRI V. RAMAIAH : Mr. Chairman, Sir, I move—

"That the Madras Agricultural Income-tax (Amendment) Bill,[a] 1965 (L.A. Bill No. 24 of 1965), as passed by the Assembly, be taken into consideration.'

In the Madras Plantations Agricultural Income-tax (Amendment) Act, 1958, which extended the provisions of the main Act to crops other than plantation crops, a special provision was included in section 34, to collect tax from agriculturists for the assessment year 1958–59, applying the composition formula, i.e., without detailed assessment of the income derived. This is because agriculturists do not generally maintain proper accounts. The above provision was subsequently extended for the assessment years up to 1965–66. Similarly in the Madras Agricultural Income-tax (Extension to Added Territory) Act, 1961, which extended the provisions of the main Act to the territories added to this State from the State of Andhra Pradesh, provision was included, in section 14, to allow the agriculturist in these territories to compound the tax for the assessment year 1961–62. The above provision was subsequently extended up to the assessment year 1965–66.

It has been considered necessary to extend the benefit of section 34 of the Madras Plantations Agricultural Income-tax (Amendment) Act, 1958, and section 14 of the Madras Agricultural Income-tax (Extension to Added Territory) Act, 1961 in respect of the assessment years 1966–67, 1967–68 and 1968–69 by suitably amending the said sections. The Bill provides for this. Sir, I request the House to accept the motion.

MR. CHAIRMAN : Motion moved—

'That the Madras Agricultural Income-tax (Amendment) Bill, 1965 (L.A. Bill No. 24 of 1965), as passed by the Assembly, be taken into consideration.'

SRI V. K. RAMASWAMY MUDALIAR : Mr. Chairman, Sir, it is a fact that many of the agriculturists do not know how to keep the accounts and in fact they do not maintain the accounts. This was gone into in great detail, when the Bill was originally considered and the concession was given to them. The life of the Act is being extended from time to time. Instead of making it a permanent statute, I would like to know why it is being extended from time to time.

Another submission which I would like to make in this connection is this. From what I hear, I am given to understand that the income derived from the implementation of this Act is not

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[a] Printed as Appendix III on page 657 infra.

commensurate with the labour and cost involved in implementing the legislation. The Government are incurring, I understand, a huge expenditure towards establishment charges. I would request the Hon. Minister to review the whole position and work out the profit and loss involved in implementing the scheme. If it is really profitable to enforce the legislation, there is point in the Government continuing the measure. Otherwise the Government should take up the question of repealing the measure or amending it in such a manner that there is no loss in the implementation of the Act.

These are all my submissions in regard to this Bill.

THE HON. SRI V. RAMAIAH : Sir, originally, the time limit of three years was fixed with a view to reviewing the whole position after a period of one or two years. As the hon. Member himself knows, this is linked to the land ceiling legislation. At the time of the introduction of the land ceiling legislation, there was an impression that agricultural income-tax would fade away. But that Act (the Land Ceiling Act) has not yet been completely implemented. That will take one or two years more. In the meantime the working of the Agricultural Income-tax also will be reviewed.

So far as expenditure on staff is concerned, that is being looked into and, wherever economy is necessary, it will be observed. But we are also interested in the effective enforcement of the Act and therefore, wherever there is necessity for the officers and staff they will have to be there, whether there is profit or loss. As there is a substantial income from this source, the Government will not easily give up this source at this stage.

SRI V. K. RAMASWAMY MUDALIAR : On a point of clarification, Sir. The whole thing has to be reviewed soon. I gave notice of an interpellation in regard to this about one and a half months ago. I would like to know from the Hon. Minister why that question has not so far been answered.

4-00 p.m. MR. CHAIRMAN : That is a different issue. I will now put the question to the vote of the House. The question is—

"That the Madras Agricultural Income-tax (Amendment) Bill, 1965 (L.A. Bill No. 24 of 1965), as passed by the Assembly, be taken into consideration."

The motion was put and carried and the Bill was taken into consideration.

Clauses 2 and 3 were put and carried.

Clause 1, the Long Title and the Enacting Formula were put and carried.

12th August 1965]

THE HON. SRI V. RAMAIAH : Mr. Chairman, Sir, I move—

"That the Madras Agricultural Income-tax (Amendment) Bill, 1965 (L.A. Bill No. 24 of 1965), as passed by the Assembly, be passed".

MR. CHAIRMAN : The question is—

"That the Madras Agricultural Income-tax (Amendment) Bill, 1965 (L.A. Bill No. 24 of 1965), as passed by the Assembly, be passed".

The motion was put and carried and the Bill was passed.

(3) THE HOLDINGS (STAY OF EXECUTION PROCEEDINS) MADRAS AMENDMENT) BILL, 1965 (L.A. BILL NO. 25 OF 1965).

THE HON. SRI V. RAMAIAH : Mr. Chairman, Sir, I move—

"That the Holdings (Stay of (Execution Proceedings) (Madras Amendment) Bill, [a] 1965 (L.A. Bill No. 25 of 1965), as passed by the Assembly, be taken into consideration".

The Holdings (Stay of Execution Proceedings) Act, 1950 (Travancore-Cochin Act VIII of 1950) was in force in the Kanyakumari district and Shencottah taluk at the time of their transfer to this State from the former Travancore-Cochin State in 1956. Consequent on the extension to the Shencottah taluk, of the Cultivating Tenants Protection and Fair Rent Acts by Madras Act 28 of 1959, with effect from 2nd March 1960, the Holding (Stay of Execution Proceedings) Act ceased to be in force in the taluk. It is now in force only in the Kanyakumari district.

The Act provides for the stay of proceedings in execution of a decree in a suit for the recovery of possession of a holding, so far as they related to the delivery of possession of the holding.

The Act is due to expire on the 24th September 1965. We have recently passed certain Acts for the abolition of certain special tenures prevalent in the Kanyakumari district and for the introduction of ryotwari settlement therein on the lines of the ryotwari settlement prevalent in the rest of the State. Pending the implementation of these Acts, and pending the abolition of the special tenure relating to Sreepadam lands in Kanyakumari district, for which legislation has yet to be undertaken, it is considered necessary to extend the life of Travancore-Cochin Act VIII of 1950 by two years from the 25th September 1965. The Bill seeks to achieve the above object. Therefore, I request the House to accept and pass the motion.

MR. CHAIRMAN : The question is—

"That the Holdings (Stay of Execution Proceedings) (Madras Amendment) Bill, 1965 (L.A. Bill No. 25 of 1965), as passed by the Assembly, be taken into consideration".

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[a] Printed as Appendix IV on pages 657–658 infra.